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December 8, 2008

VIA ELECTRONIC FILING

Charles L. A. Terreni
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Petition of South Carolina Electric & Gas Company for an Order Authorizing the Withdrawal of Certain Funds from its Storm Damage Reserve Fund to Offset Those Costs Incurred in Connection with its Tree Trimming and Vegetation Management Programs for its Electric Transmission and Distribution Systems.
Docket No. 2008-416-E

Dear Mr. Terreni:

This is to acknowledge that the Office of Regulatory Staff ("ORS") has reviewed the above referenced filing and has no objection to the proposed accounting order authorizing South Carolina Electric & Gas ("SCE&G" or "Company") to withdraw up to $9 million from its Commission-approved Storm Damage Reserve Fund certain funds to offset those incremental expenses incurred by the Company in 2008 and 2009, regarding its tree trimming and vegetation management programs for its electric transmission and distribution systems.

If the Commission is inclined to grant this request, ORS would recommend including a provision in the order requiring SCE&G to report the following information:

- Mid Year Report: (Due August 15, 2009)
    - Show progress through June 30, 2009
    - Include the vegetation management plan
    - Identify those circuits SCE&G has cleared
    - Show cost per circuit, if possible
    - Include before and after pictures
    - Before and after data of outages, if available

- Updated Report: (Due December 1, 2009)
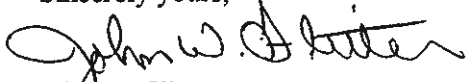   - Provide any updates and progress

Thank you for the opportunity to provide our comments in this matter.

Sincerely yours,

John W. Flitter

JWF/sh
cc: Dan F. Arnett, Chief of Staff, SC ORS
     Nanette S. Edwards, Deputy General Counsel, SC ORS
     Shannon Bowyer Hudson, Attorney, SC ORS
     K. Chad Burgess, Senior Counsel, SCE&G
     Dr. James Spearman, Executive Assistant, PSCSC